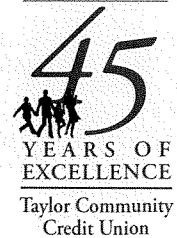




1960-2005



Thursday, March 31, 2005

Ms. Jennifer Jones
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Ave, NW
Washington, D.C. 20551

RE: Docket No. R-1217 – Review of Regulation Z Open-End Credit Rules

Dear Ms. Johnson,

When reviewing Reg Z regarding loan solicitations, I would appreciate it if the regulation could explain that such solicitations need to clearly explain who is making the solicitation.

In the last three years, we have had a firm send letters to our members asking them to refinance, which is normal competition.

However, only in the fine print at the bottom of the letter was there a statement that "This solicitation is from XYZ Company." The rest of the letter including the masthead of the letter was written as though it was from us to our member. It included, needless to say, an 800 # in bold type which led them to the real solicitor. It was written to entice our borrower to call the 800 #, thinking that we, whom they trust, were making the solicitation.

If our member did not read the fine print, they would assume that we were suggesting they refinance the loan. We had our lawyer write the firm expressing our displeasure at this subterfuge. However, I do not think that they broke any law or regulation. I would appreciate the Federal Reserve amending the advertising and solicitation provisions to require solicitations make clear whom the solicitation is coming from.

Cordially,

Phillip A. Matous
President